

population of those is confident with the level and conditions of living in their regions. Vinnitsa occupies the first place with a significant margin, Kharkiv and Lviv occupy the second and third places. Moreover, the interesting fact is that these cities, according to official ratings, are far from the first lines, but their inhabitants are more or less satisfied with their lives.

In many regions of Ukraine, the deteriorating quality of life is the lack of necessary resources for the productivity of goods and the satisfaction of the needs of citizens. Salary is at a shallow level in Ukraine in 2019, forcing active citizens and young people to leave the country in search of a better life.

Consequently, the most significant factors determining the dynamics of the quality of life of the population are the level of productive forces and industrial relations in society, technological progress, the economic potential of society (its national wealth), methods of distribution of social product, political and social factors.

All factors are tightly interconnected, interdependent and require their general consideration when solving the problem of improving the quality of life in the regions of Ukraine.

Indeed, a country with a productive economy, with a a current able-bodied population, high employment and significant social wealth, can provide its citizens with higher living standards and social guarantees than economically backward countries.

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CLUSTER-BASED DEVELOPMENT IN THE TOURISM INDUSTRY

Julia Serdyuk, student

Yuliia Fedotova, Associate Professor, PhD (Economics), Research Advisor

Yevheniia Moshtagh, Associate Professor, PhD (Philology), Language Consultant

O. M. Beketov National University of Urban Economy in Kharkiv

Tourism is an economic growth engine with focus on the regional level, but its national impact is also significant. However, if tourism importance is significant at a national level, at a regional level this sector is presented as an essential tool in regional development and economic growth, considered to be one of the measures used to avoid desertification and economic stagnation, especially in the inner

regions. Given the great unanimity that clusters increase the competitiveness of a regional industry and given that tourism is a powerful instrument for regional development, it is relevant and crucial to discuss the role of clusters in tourism. The issue of tourism clusters is still in an embryonic phase because of the small number of studies that deal with this problem. That is why this research aims to propose a conceptual model to analyze how a tourism cluster encourages regional competitiveness.

Traditionally the theories of clustering and the cluster concept have mainly been applied to the manufacturing industry. This situation hasn't changed.

Most small and micro companies together with the fragmentation of the industry constitute a constraint to development. This problem may be solved by regarding each individual operator as a part of an integrated system. Hence increased knowledge and an understanding for what the cluster concept may provide is of importance to private businesses, government stakeholders at various levels and anyone with an interest in fostering economic growth and development.

In recent years a debate has been taking place questioning whether the cluster concept is something new or just a new word for a phenomenon that has always existed. Certain issues, such as how a company's ability to compete is affected by the place where it is located, why similar and related activities form geographic concentrations (agglomerations) and how different types of related economic activities develop in relation to each other, are traditional questions in economic geography. These have been central issues for a long time.

Clusters evolve and change over time. They are not isolated entities, but open units that are part of a greater context. Neither is the development of new competitive products and services limited to a separate and isolated cluster. In the interface between different clusters new value can be created. As a matter of fact, cluster development often becomes particularly vibrant at the intersection of clusters, where insights, skills, and technologies from different fields merge, and as a result a new business starts.

Most tourism clusters have strong linkages to other closely related industries and supporting clusters, such as outdoor equipment, design, food and beverage. Cooperation beyond natural borders ought to come easier to an industry that embraces a multitude of sectors. A system of linkages between tourism enterprises and actors outside the sector is necessary in order to satisfy the demands of the customers.

Cooperation generally does not seem to be a common thing among tourism entrepreneurs. The common pool of knowledge and labor to be found in for instance Silicon Valley is quite unusual in the tourism and travel industry.

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